

Nucor Corporation, Inc. Civil Judicial Settlement Fact Sheet

December 19, 2000

Background: EPA's agreement with Nucor addresses alleged violations of the Clean Air Act (CAA), the Resource Conservation and Recovery Act (RCRA), the Clean Water Act (CWA), and the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA). Headquartered in Charlotte, N.C., Nucor is a major manufacturer of steel and steel products and employs approximately 7,000 personnel. In 1999, the company had net sales of more than \$4 billion.

This civil judicial settlement involves eight Nucor steel "minimills" and six steel fabrication facilities in seven states (one Arkansas mill is operated as a joint venture with Yamato Corporation). A minimill produces steel by melting scrap metal in an electric arc furnace and has an associated rolling mill.

Environmental Benefits: This settlement will result in a major advancement in controls of nitrogen oxide (NO_x) for the minimill industry and enhance best management practices to avoid releases of electric arc furnace dust, a hazardous waste.

This settlement has the potential for a reduction of an estimated 6,400 tons of nitrogen oxide and 3,000 tons of volatile organic compounds throughout the period of the agreement. Nitrogen oxide emissions contribute to acid rain, nitrogen deposits in lakes and coastal waters, crop damage, and reduced visibility. These pollutants can cause premature mortality, reduced lung function and aggravate existing respiratory problems such as asthma. Volatile organic compounds directly contribute to smog, which aggravates respiratory diseases such as asthma, particularly in the young and elderly.

Under the agreement, extensive injunctive relief is estimated at more than \$85 million. The settlement also establishes environmentally significant projects for the benefit of local communities near Nucor facilities.

Violations: The government alleges that Nucor violated the Prevention of Significant Deterioration (PSD) and New Source Performance Standard (NSPS) provisions of the Clean Air Act. In addition, the United States alleges that Nucor illegally disposed of K061 dust at its facilities. A waste product from the electric arc furnaces, K061 dust, is a RCRA-listed hazardous waste. K061 dust contains lead and cadmium, both are classified by EPA as probable human carcinogens. This waste mismanagement contributed to National Pollution Discharge Elimination System (NPDES) and industrial stormwater violations of the Clean Water Act, and contaminated soil and groundwater at the Nucor steel mills. Nucor also failed to submit required reports under EPCRA that quantify the amount of various toxic chemicals released at Nucor facilities.

Co-Plaintiffs: The states of Nebraska, Arkansas, Utah and South Carolina have joined in this settlement.

Settlement Terms:

1. Civil Penalty: Nucor has agreed to pay a civil penalty of \$9 million.

2. Injunctive Relief (\$85 million): Nucor will pilot air pollution control technologies for control of NO_x emissions from its electric arc and reheat furnaces. This control technology should set a new standard for NO_x control in the steel industry. Nucor also will:

- a. Conduct sampling of ground water and soil at all facilities.
- b. Conduct sampling of stormwater at all minimills.

- c. Identify areas of contamination and clean up that contamination in accordance with an EPA or state-approved plan for each facility.
- d. Implement enhancements to its environmental management of electric arc furnace dust, and its process water and storm water to ensure continued compliance with hazardous waste laws and Clean Water Act requirements.
- e. Complete all filings under the Emergency Planning and Community Right-to-Know Act.

3. Environmental Management System and Self Audits: Nucor will conduct extensive environmental audits to discover and correct any remaining environmental problems, and put in place a corporate-wide environmental management system to prevent future violations.

4. Additional Environmental Projects (\$4 million):

a. **\$2 million** for community-based supplemental environmental projects. Subject to final Agency approval, at least three of seven projects will be in communities near Nucor facilities. The projects are:

- # Wind mill power generation
- # Scrap recycling days
- # Creation of wetland “buffer zones”
- # Emergency equipment donations
- # Sanitary sewer line expansion
- # Community facility asbestos abatement projects
- # Up to \$50,000 for community-based recycling education projects

b. **\$2 million** for the installation of state-of-the-art continuous air emission monitoring (CEM) equipment at Nucor’s minimills that will monitor continuously to ensure that the company complies with emission limits for nitrogen oxide and sulfur oxides. The installation of CEM equipment is not required by law, and will add significantly to EPA’s understanding of emissions at Nucor facilities, and throughout the steel industry.

Facilities Subject to this Consent Decree:

<u>Location</u>	<u>Operation</u>
South Carolina	
Berkeley/Huger	Steel minimill
Darlington	Steel minimill
Florence	Steel fabrication
Arkansas	
Blytheville (Hickman Mill)	Steel minimill
Armored (Nucor-Yamato)	Steel minimill
Indiana	
Crawfordsville	Steel minimill
St. Joe	Steel fabrication
Texas	
Jewett	Steel minimill
Grapeland	Steel fabrication
Nebraska	
Norfolk	Steel minimill
Norfolk	Steel fabrication
Utah	
Plymouth	Steel minimill

Brigham City
Alabama
Fort Payne

Steel fabrication
Steel fabrication

(Facilities fall under U.S. EPA Regions 4, 5, 6, 7, and 8)